

Message Text

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SUBJECT: QUEBEC AUTHO INSURANCE

REF: MONTREAL 1416

1. BEGIN SUMMARY: MEETING REFERRED TO IN REFTEL TOOK PLACE ON JULY 27. IT WAS WELL ATTENDED, PARTICULARLY BY REPRESENTATIVES OF THE TRAVEL AND TOURIST INDUSTRIES, AND INCLUDED SPECIAL GOVERNMENT REPRESENTATIVES FROM THE NEIGHBORING STATES OF VERMONT AND NEW YORK. THE PRINCIPAL PURPOSE OF THE MEETING WAS TO DISPEL THE MIASMA OF MISINFORMATION THAT SURROUNDS THE NEW QUEBEC AUTO INSURANCE LAW AS IT APPLIES TO TOURISTS VISITING THE PROVINCE AND TO QUEBECKERS INVOLVED IN ACCIDENTS OUTSIDE QUEBEC. THE PROVINCE IS LAUNCHING AN INFORMATION CAMPAIGN AIMED AT TOURISTS TO COUNTER NEGATIVE IMPRESSIONS OF THE LAW. END SUMMARY.

2. THE SPOKESMAN FOR THE REGIE DE L'ASSURANCE AUTOMOBILE DU QUEBEC BEGAN BY EMPHASIZING THE MANDATORY NATURE OF THE NEW LAW WHICH REQUIRES AUTOISTS TO BE COVERED FOR BODILY INJURY PLUS A MINIMUM DOLS 50,000 COVERAGE FOR PROPERTY DAMAGE. (THE LATTER, SOLD BY PRIVATE INSURERS, ALSO CONTAINS A SEPARATE PROVISION FOR BODILY INJURY COVERAGE--UP TO THE LIMIT REQUIRED IN THE UNCLASSIFIED

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STATE OR PROVINCE WHERE THE ACCIDENT TAKES PLACE--FOR QUEBEC MOTORISTS INVOLVED ACCIDENTS AOUTSIDE OF THE PROVINCE.) THUS, ACCORDING TO THE REGIME, TOURISTS ARE BETTER PROTECTED THAN EVER BEFORE SHOULD THEY HAVE THE MISFORTUNE TO BECOME INVOLVED IN AN AUTO ACCIDENT WHILE VISITING THE PROVINCE.

3. NON-RESIDENTS, HOWEVER, ARE SUBJECT TO WHAT MIGHT BE CALLED

"SOME FAULT" PROVISION OF THE LAW CONTRASTED TO QUEBECKERS WHO RECEIVE FULL PAYMENT FOR BODILY INJURIES REGARDLESS OF FAULT. FOR CASES INVOLVING NON-RESIDENTS, THE REGIE MAKE A DETERMINATION OF THE DEGREE OF FAULT, IF ANY, ATTRIBUTABLE TO THE NON-RESIDENT AND PAYMENTS FOR BODILY AND/OR PROPERTY DAMAGES ARE REDUCED ACCORDINGLY. (SIMILAR FAULT FINDING PROVISIONS APPLY TO QUEBECKERS, BUT ONLY WITH REGARD TO PROPERTY DAMAGE.) SO A NON-RESIDENT, FOR EXAMPLE, WHO WAS FOUND TO BE 30 PERCENT LIABLE FOR AN ACCIDENT IN WHICH HIS MINOR CHILD WAS KILLED WOULD RECEIVED ONLY DOLS 2,800 (70 PERCENT OF DOLS 4,000) PLUS FUNERAL EXPENSES

UP TO DOLS 1,000 FOR THE CHILD. NON-RESIDENTS WHO DISAGREE WITH THE REGIE'S FINDINGS CAN TAKE THE REGIE TO COURT TO SEEK REDRESS, BUT IN NO CASE CAN THEY COLLECT MORE THAN THE LIMIT ALLOWED BY THE LAW. (A QUEBECKER, ON THE OTHER HAND, INVOLVED IN AN IDENTICAL ACCIDENT IN, SAY, NEW YORK WOULD RECIEVE THE FULL DOLS4,000 PLUS FUNERAL EXPENSES REGARDLESS OF FAULT AND WOULD STILL HAVE THE OPTION OF SEEKING FURTHER DAMAGES THROUGH THE NEW YORK COURTS.) HOWEVER, THE "SOME FAULT" PROVISIONS OF THE LAW ARE NOT APPLIED TO A NON-RESIDENT INVOLVED IN AN ACCIDENT WHO IS EITHER THE OPERATOR OF OR A PASSENGER IN A VEHICLE WHICH IS REGISTERED IN QUEBEC, SUCH A A RENTED CAR OR A TAXI. SUCH PERSONS WILL RECEIVE FULL PAYMENT FOR BODILY INJURIES SUSTAINED.

4. AS MENTIONED ABOVE, QUEBECKERS INVOLVED IN ACCIDENTS OUTSIDE UNCLASSIFIED

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OF THE PROVINCE ARE COVERED FOR BODILY AND PROPERTY DAMAGE, UP TO THE LIMITS PRESCRIBED BY THE LOCAL LAW, BY THE PRIVATE INSURANCE THEY ARE NOW REQUIRED TO PURCHASE. IN EFFECT, THESE ACCIDENTS ARE HANDLED IN THE SAME WAY THEY WERE PRIOR TO PASSAGE OF THE NEW LAW.

5. THERE WAS DOME DISCUSSION OF THE RELATIVELY LOW DOLLAR LIMITS ESTABLISHED FOR VARIOUS LOSSES BY THE LAW, PARTICULARLY THE DESIGNATION OF DOLS 18,000 AS THE MAXIMUM GROSS ANNUAL INCOME ALLOWED FOR THE PURPOSES OF COMPUTING BENEFITS. THIS FIGURE WAS BASED ON THE RESULTS OF A SURVEY, ACCORDING TO THE REGIE SPOKESMAN, WHICH SHOWED THAT 80 PERCENT OF ALL QUEBEC WAGE EARNERS HAD NET INCOMES OF UNDER DOLS18,000. COMPENSATION PAYMENTS ARE BASED ON NET RATHER THAN GROSS INCOME.

6. THE REGIE IS LAUNCHING A WIDESPREAD INFORMATION CAMPAIGN AIMED SPECIFICALLY AT TOURISTS. THE PRINCIPAL WEAPON IIN THE CAMPAIGN, AN ENGLISH LANGUAGE FOLER EXPLAINING THE NEW LAW, IS TO BE PLACED IN THOSE LOCALES WHERE TOURISTS ARE MOST FREQUENTLY FOUND, I.E., HOTELS, MOTELS, AUTO CLUBS, CAR RENTAL AGENCIES, TOURIST INFORMATION OFFICES ETC. THE PURPOSE OF THE FOLER IS TWOFOLD, TO REASSURE VISITORS WHILE THEY ARE HERE AND HOPE THEY

WILL SPREAD THE WORD WHEN THEY RETURN HOME.

7. COMMENT: OBVIOUSLY STUNG BY THE TIDE OF UNFAVORABLE PUBLICITY CHURNED UP BY THE NEW LAW, THE PROVINCE HAS DECIDED TO LAUNCH THIS LIMITED COUNTER-OFFENSIVE AT THE MIDPOINT OF THE SUMMER TOURIST SEASON. THOSE ATTENDING THE MEETING APPEARED RASONABLY SATISFIED WITH THE ANSWERS THEY RECEIVED, THOUGH THERE IS A LINGERING CONCERN ABOUT THE LOW LEVEL OF COMPENSATION AWARDS. (COPIES OF THESE COMPENSATION TABLES ARE BEING MAILED TO THE DEPARTMENT AND USDOC). REGIE OFFICIALS ARE QUICK TO POINT OUT THAT PRIOR TO PASSAGE OF THE NEW LAW SOME 20 PERCENT OF ALL QUEBEC DRIVERS HAD NO INSURANCE AT ALL, SO THE NEW LAW REPRESENTS A DECIDED IMPROVEMENT OVER YESTERYEAR. TO DATE THE NEW SYSTEM APPEARS TO BE RUNNING FAIRLY SMOOTHLY. THE CONSULATE GENERAL IS NOT AWARE

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OF ANY COMPLAINTS ABOUT THE LAW BY U.S. TOURISTS. WE WOULD, HOWEVER, STILL RECOMMEND THAT U.S. TOURIST COMING TO QUEBEC VIA AUTOMOBILE TAKE OUT SUPPLEMENTARY INSURANCE TO MAINTAIN FULL COVERAGE OF THEMSELVES AND THEIR FAMILIES (SEE MONTREAL 890).

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